

Lake Simcoe Region Conservation Authority
Financial Statements
Year ended December 31, 2024

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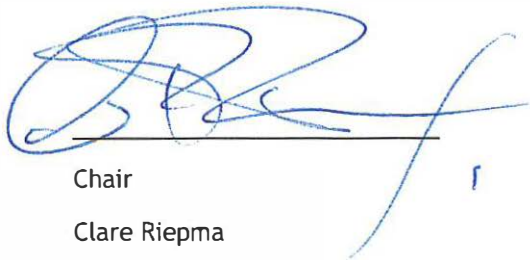
**MANAGEMENT'S RESPONSIBILITY FOR THE
FINANCIAL STATEMENTS**

The accompanying financial statements of Lake Simcoe Region Conservation Authority (the "Authority") are the responsibility of the Authority's management and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board of The Chartered Professional Accountants of Canada. A summary of the significant accounting policies are described in Note 1 to the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Authority's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements. These systems are monitored and evaluated by Management.

Members meet with Management and the external auditors to review the financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the financial statements.

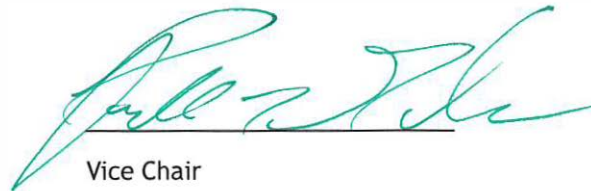
The financial statements have been audited by BDO Canada LLP, independent external auditors appointed by the Authority. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Authority's financial statements.



Chair

Clare Riepma

May 23, 2025



Vice Chair

Randy Greenlaw

May 23, 2025



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Independent Auditor's Report

To the Members of Lake Simcoe Region Conservation Authority

Opinion

We have audited the financial statements of Lake Simcoe Region Conservation Authority, which comprise the statement of financial position as at December 31, 2024, and the statements of operations, changes in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Lake Simcoe Region Conservation Authority as at December 31, 2024, and its results of operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of Lake Simcoe Region Conservation Authority in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing Lake Simcoe Region Conservation Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate Lake Simcoe Region Conservation Authority or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Lake Simcoe Region Conservation Authority's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Lake Simcoe Region Conservation Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Lake Simcoe Region Conservation Authority's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause Lake Simcoe Region Conservation Authority to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

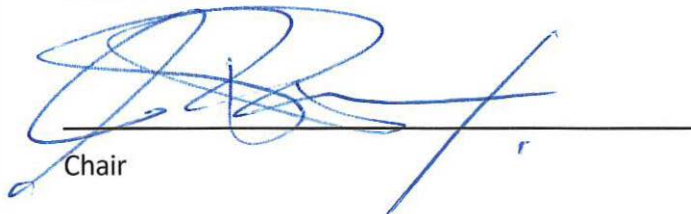
Barrie, Ontario
May 25, 2025

Lake Simcoe Region Conservation Authority
Statement of Financial Position

Year Ended December 31	2024	2023
Financial Assets		
Cash and cash equivalents	\$ 14,611,690	\$ 29,775,166
Accounts receivable and other assets (Note 4)	2,534,100	1,791,361
Investments (Note 5)	18,363,155	-
	<u>35,508,945</u>	<u>31,566,527</u>
Liabilities		
Accounts payable and accrued liabilities	1,249,454	1,216,205
Obligations under capital lease (Note 6)	3,967	7,191
Deferred revenue (Note 7)	24,476,828	22,736,945
Vacation pay and lieu time accruals	164,222	156,137
	<u>25,894,471</u>	<u>24,116,478</u>
Net Financial Assets	<u>9,614,474</u>	<u>7,450,049</u>
Non-Financial Assets		
Inventory of supplies and prepaid expenses	175,803	158,017
Tangible capital assets (net) (Schedule 10)	19,783,994	19,344,445
	<u>19,959,797</u>	<u>19,502,462</u>
Accumulated Surplus (Schedule 9)	<u>\$ 29,574,271</u>	<u>\$ 26,952,511</u>

Contingent liabilities (Note 11)

On behalf of the Board



Chair



Chief Administrative Officer/Secretary/Treasurer

See accompanying notes to the financial statements.

Lake Simcoe Region Conservation Authority

Statement of Operations

Year Ended December 31	2024 Budget (Note 3)	2024 Actual	2023 Actual
Revenue:			
Category 1 – Mandatory Levy	\$ 5,809,939	\$ 5,809,942	\$ 5,231,619
Category 1 - Lake Simcoe Protection Plan	2,510,523	2,509,688	2,196,049
Category 2	674,398	552,725	345,242
Category 3	353,619	353,618	346,685
Provincial & federal funding	2,003,830	1,926,582	1,684,148
Deferred funding & municipal agreements	2,926,229	2,597,564	3,733,203
Revenue generated by authority	12,190,526	8,170,971	7,085,673
Total Revenue:	26,469,064	21,921,090	20,622,619
Expenses:			
Corporate services (Schedule 1)	9,955,462	6,461,726	5,699,471
Ecological management (Schedule 2)	4,826,761	4,038,334	3,335,709
Education & engagement (Schedule 3)	838,988	837,168	852,273
Greenspace services (Schedule 4)	1,605,087	2,291,760	1,221,438
Planning & development services (Schedule 5)	4,845,746	4,219,877	4,318,096
Water risk management (Schedule 6)	5,996,749	4,010,254	3,876,887
Watershed studies & strategies (Schedule 7)	2,188,048	2,036,828	1,719,549
Total Gross Expenses:	30,256,843	23,895,947	21,023,423
Expenses included above related to:			
Tangible capital assets	-	1,945,253	1,380,693
Internal fee for service	3,195,634	3,132,014	2,913,126
Expenses before amortization	27,061,209	18,818,680	16,729,604
Amortization	-	480,650	460,221
	27,061,209	19,299,330	17,189,825
Net (deficit) surplus for the year	\$ (592,144)	\$ 2,621,760	\$ 3,432,794

See accompanying notes to the financial statements.

Lake Simcoe Region Conservation Authority
Statement of Changes in Net Financial Assets

Year Ended December 31	2024 Budget (Note 3)	2024 Actual	2023 Actual
Net surplus for the year	\$ (592,144)	\$ 2,621,760	\$ 3,432,794
Acquisition of tangible capital assets - net	-	(1,945,253)	(1,380,690)
Acquisition of capital leases	-	-	-
Loss on disposal of tangible capital assets	-	1,025,054	39,686
Amortization of tangible capital assets	-	480,650	460,221
Change in inventory and prepaid expenses	-	(17,786)	(25,766)
Increase in net financial assets	(592,144)	2,164,425	2,526,245
Net financial assets, beginning of year	7,450,049	7,450,049	4,923,804
Net financial assets, end of year	\$ 6,857,905	\$ 9,614,474	\$ 7,450,049

See accompanying notes to the financial statements.

Lake Simcoe Region Conservation Authority

Statement of Cash Flows

Year Ended December 31	2024 Actual	2023 Actual
Operations:		
Net surplus for the year	\$ 2,621,760	\$ 3,432,794
Items not involving cash		
Amortization	480,650	460,221
Change in non-cash operating balances		
(Increase) in accounts receivable and other assets	(742,739)	(247,136)
(Increase) in inventory and prepaid expenses	(17,786)	(25,766)
Increase in accounts payable and accrued liabilities	33,249	438,325
(Decrease) in obligations under capital lease	(3,224)	(4,076)
Increase in vacation pay and lieu time accruals	8,085	25,666
Increase in deferred revenue	1,739,883	1,243,104
	<u>4,119,878</u>	<u>5,323,132</u>
Capital Transactions:		
Loss on disposal of tangible capital assets	1,025,054	39,686
Addition to tangible capital assets	(1,945,253)	(1,380,690)
	<u>(920,199)</u>	<u>(1,341,004)</u>
Investing Transactions:		
Purchase of investments	<u>(18,363,155)</u>	-
Net increase in cash and cash equivalents	(15,163,476)	3,982,128
Cash and cash equivalents, beginning of year	<u>29,775,166</u>	<u>25,793,038</u>
Cash and cash equivalents, end of year	<u>\$ 14,611,690</u>	<u>\$ 29,775,166</u>

See accompanying notes to the financial statements.

Lake Simcoe Region Conservation Authority

Notes to the Financial Statements

December 31, 2024

1. Nature of operations

The Lake Simcoe Region Conservation Authority (the "Authority") was established on September 6, 1951 by Order-in-Council No. OC-1723-51, in accordance with Section 3(1) of the Conservation Authorities Act of Ontario. The objective of the Authority, as stated by the Conservation Authorities Act R.S.O. 1990 is "to provide for the organization and delivery of programs and services that further the conservation, restoration, development and management of natural resources in watersheds in Ontario".

2. Summary of significant accounting policies

Management responsibility

The financial statements of the Authority are the responsibility of management. They have been prepared in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

Basis of accounting

Revenue and expenses are recorded on the accrual basis, whereby they are reflected in the accounts in the year in which they have been earned and incurred, respectively, whether or not such transactions have been settled by the receipt or payment of money.

Various revenue and expense items flow through the statement of financial activities based on their general nature in relation to operating activities. To the extent that these revenue and expense items relate to specific reserve balances, these items are reflected on Schedule 8 – Statement of Continuity of Reserves.

Cash and cash equivalents

The Authority considers deposits in banks and short-term investments with maturities of three month or less as cash and cash equivalents. Cash and cash equivalents comprise cash on hand, demand deposits and short-term cashable investments.

Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

Lake Simcoe Region Conservation Authority

Notes to the Financial Statements

December 31, 2024

2. Summary of significant accounting policies *(continued)*

Tangible capital assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and recognized as revenue. The costs, less residual value, of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives commencing once the asset is available for productive use as follows:

- Land improvements – 20 years
- Building and Building Improvements – 10 to 50 years
- Furniture and Fixtures – 10 to 25 years
- Machinery and Equipment – 5 to 25 years
- Vehicles – 7 to 10 years
- Computers and Computer Software – 4 to 20 years
- Infrastructure – 10 to 55 years

Leased tangible capital assets

A lease that transfers substantially all of the benefits and risks of ownership to the lessee is recorded as a tangible capital asset and the incurrence of a lease obligation. At inception, a tangible capital asset and an obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments, excluding executory costs, and the leased property's fair value at the beginning of the lease. The discount rate used to determine the present value of the lease payments is the lower of the rate of incremental borrowing or the interest rate implicit in the lease.

Leased tangible capital assets are amortized on a straight-line basis as follows:

- Office Equipment - 4 years

Vacation pay and lieu time liability

Vacation credits earned but not taken and lieu time entitlements are accrued as earned.

Reserves

Reserves for future expenses and contingencies are established and approved for use as required at the discretion of the Board of Directors. Increases or decreases in these reserves are made by appropriations to or from operations.

Lake Simcoe Region Conservation Authority

Notes to the Financial Statements

December 31, 2024

2. Summary of significant accounting policies *(continued)*

Government transfers

Government transfers and municipal levies are recognized as revenue in the financial statements when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Government transfers and municipal levies are recognized as deferred revenue when transfer stipulations give rise to a liability. Government transfers and municipal levies are recognized in the statement of operations as the stipulation liabilities are settled.

Restricted revenue

Contributions, other than government transfers, are deferred when restrictions are placed on their use by the external contributor and are recognized as revenue when used for the purpose specified.

Other revenue

Revenue from transactions with performance obligations is recognized when (at a point in time) or as (over a period of time) the organization satisfies the performance obligations, which occurs when control of the benefits associated with the promised goods or services has passed to the payor.

Other grants, donations and contributions, amounts received from Lake Simcoe Region Conservation Foundation and authority-generated revenue are recognized when the related services are performed.

Use of estimates

The preparation of the financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. The principal estimates used in the preparation of these financial statements include accounts receivable, estimated provisions for accrued liabilities, the estimated useful lives of tangible capital assets and valuation of tangible capital assets. Actual results could differ from management's best estimates as additional information becomes available in the future.

Retirement benefits and other employee benefit plans

The Authority is an employer member of the Ontario Municipal Employees Retirement System (OMERS), which is a multi-employer, defined benefit pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration of the benefits. The Authority has adopted defined contribution plan accounting principles for this Plan because insufficient information is available to apply defined benefit plan accounting principles. The Authority records as pension

Lake Simcoe Region Conservation Authority

Notes to the Financial Statements

December 31, 2024

2. Summary of significant accounting policies (continued)

expense the current service cost, amortization of past service costs and interest costs related to the future employer contributions to the Plan for past employee service.

Financial instruments

Cash and equity instruments quoted in an active market are measured at fair value. Accounts receivable and accounts payable are measured at cost or amortized cost. The carrying amount of each of these financial instruments is presented on the statement of financial position.

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations. Interest and dividends attributable to financial instruments are reported in the statement of operations.

For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations.

Transaction costs are added to the carrying value for financial instruments measured using cost or amortized cost. Transaction costs are expensed for financial instruments measured at fair value.

The Authority's financial assets comprise of cash and cash equivalents including investments which are recorded at fair value; and accounts receivable which are recorded at amortized cost. The Authority's financial liabilities comprise of accounts payable and accrued liabilities which are recorded at amortized cost.

Asset retirement obligations

A liability for an asset retirement obligation is recognized when there is a legal obligation to incur retirement costs in relation to a tangible capital asset; the past transaction or event giving rise to the liability has occurred; it is expected that future economic benefits will be given up; and a reasonable estimate of the amount can be made. The liability is recorded at an amount that is the best estimate of the expenditure required to retire a tangible capital asset at the financial statement date. This liability is subsequently reviewed at each financial reporting date and adjusted for the passage of time and for any revisions to the timing, amount required to settle the obligation or the discount rate. Upon the initial measurement of an asset retirement obligation, a corresponding asset retirement cost is added to the carrying value of the related tangible capital asset if it is still in productive use. This cost is amortized over the useful life of the tangible capital asset. If the related tangible capital asset is unrecognized or no longer in productive use, the asset retirement costs are expensed. The

Lake Simcoe Region Conservation Authority

Notes to the Financial Statements

December 31, 2024

2. Summary of significant accounting policies (continued)

Authority has determined that its asset retirement obligations are not material and as such have not recorded a liability related to these costs.

Conservation Authorities Act

The Conservation Authorities Act stipulates three categories for conservation authority programs and services:

- Category 1: Mandatory programs and services that are set out by the Conservation Authorities Act and our duties, functions, and responsibilities under the Lake Simcoe Protection Act.
- Category 2: Municipal programs and services provided on behalf of the municipality under a memorandum of understanding
- Category 3: other programs and services an authority determines are advisable to further the purpose of the Conservation Authorities Act

3. Budget figures

The approved budget for 2024 is provided for comparison purposes on the statement of operations. Certain programs or specific projects budgeted for in the year were not completed as at December 31 and therefore a direct comparison of actual versus budget amounts for expenditures may not be appropriate.

The 2024 budget was approved by the Board of Directors when the municipal levy was set on March 22, 2024 and restatement to the Budget was approved on July 26, 2024. The 2024 budgeted figures are unaudited.

4. Accounts receivable and other assets

	2024	2023
Accounts receivable	\$ 1,607,072	\$ 1,084,083
Due from Lake Simcoe Conservation Foundation	804,574	524,224
Government remittances receivable	122,454	183,054
	\$ 2,534,100	\$ 1,791,361

5. Investments

	2024	2023
Guaranteed Investment Certificate, interest at 5.00%, maturing July 2026	\$ 2,552,397	-
Guaranteed Investment Certificate, interest at 4.87%, maturing August 2027	10,714,347	-
Guaranteed Investment Certificate, interest at 4.60%, maturing July 2029	5,096,411	-
	\$ 18,363,155	\$ -

Lake Simcoe Region Conservation Authority
Notes to the Financial Statements

December 31, 2024

6. Obligations under capital leases

	<u>2024</u>	<u>2023</u>
Obligation under a capital lease for a Sharp MX4071 Copier, maturing May 2026, with monthly payments of \$248.	\$ 3,967	\$ 7,191

Future minimum lease payments under the capital leases for subsequent years are as follows:

2025	2,728
2026	1,239
	<u>\$ 3,967</u>

7. Deferred revenue

Deferred revenue consists of funds held for the following projects and programs:

	<u>2024</u>	<u>2023</u>
Government and Other Funding		
Ministry of the Environment, Conservation and Parks	\$ 417,217	\$ 298,840
Cash in lieu and compensation funds	20,673,317	18,573,463
Forestry & Greenspace Projects	-	11,300
Water Science & Monitoring Projects	241,137	199,473
Restoration Projects	702,789	647,421
Planning and Regulations	1,408,261	1,069,441
Category 2		
Ecosystem Science & Monitoring	6,402	-
Forestry Services	4,563	-
Water Management & Restoration	110,708	-
Prior Year Deferred		
Facility Management	-	67,725
Forestry Services	-	18,032
Ecological Restoration & Regeneration	432,767	957,236
Greenspace Maintenance & Management	-	-
Flood Management & Warning	283,733	344,024
Water Management & Restoration	195,936	498,044
Watershed & Subwatershed Planning	-	1,946
Research & Innovation	-	50,000
	<u>\$ 24,476,828</u>	<u>\$ 22,736,945</u>

These amounts are recognized as revenue as directly related expenses are incurred.

Lake Simcoe Region Conservation Authority

Notes to the Financial Statements

December 31, 2024

8. Expenses by object

	2024	2023
Administration	\$ 3,131,915	\$ 2,913,126
Construction and restoration	1,140,972	485,393
Consulting and other professional fees	1,776,492	1,846,966
Grants	1,177,731	1,162,709
Insurance	234,671	231,848
Interest and bank charges	64,255	64,954
Land	421,730	335,517
Loss on disposal of capital assets	1,025,054	39,685
Office	1,429,507	1,417,644
Program related expenses	443,559	290,247
Repairs and maintenance	135,660	127,757
Training	70,739	60,518
Utilities and property taxes	204,971	206,058
Vehicle expenses	145,890	136,121
Wages and benefits	12,492,801	11,704,880
	<u>\$ 23,895,947</u>	<u>\$ 21,023,423</u>

9. Credit facility

The Authority maintains an operating line facility with an operating limit of \$500,000 (2023 – \$500,000) which bears interest at prime, 5.95% (2023 – 7.20%) and is due on demand. As of December 31, 2024, no balance was payable under this facility (2023 - \$Nil).

10. Pension agreement

The Authority makes contributions to the Ontario Municipal Employees Retirement System (“OMERS”) which is a multi-employer plan, on behalf of full-time members of staff and eligible part time staff. The plan is a defined benefit pension plan, which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay.

OMERS provide pension services to nearly 500,000 active and retired members and approximately 1,000 employers. Each year an independent actuary determines the funding status of OMERS Primary Pension Plan (the Plan) by comparing the actuarial value of invested assets to the estimated present value of all pension benefits that members have earned to date. The most recent actuarial valuation of the Plan was conducted at December 31, 2024. The results of this valuation disclosed total actuarial liabilities of \$142.5 billion in respect of benefits accrued for service with actuarial assets at that date of \$139.6 billion indicating an actuarial deficit of \$2.9 million. Because OMERS is a multi-employer plan, any pension plan surpluses or deficits are a joint responsibility of Ontario municipal

Lake Simcoe Region Conservation Authority

Notes to the Financial Statements

December 31, 2024

10. Pension agreement (*continued*)

organizations and their employees. As a result, the Authority does not recognize any share of the OMERS pension surplus or deficit.

Contributions made by the Authority to OMERS for 2024 were \$990,870 (2023 - \$929,164).

11. Contingent liabilities

Certain unresolved legal claims are outstanding against the Authority at December 31, 2024. No amounts have been accrued in the financial statements for any potential losses arising from these claims as the Authority anticipates any individual settlements will not exceed the limits of insurance coverage or the outcomes are not determined at this time.

12. Related party transactions

The Lake Simcoe Region Conservation Authority exercises economic interest over the Lake Simcoe Conservation Foundation as the Foundation was established to raise funds and obtain resources for the exclusive use of the Authority. During the year, the Authority received \$1,097,719 (2023 - \$661,419) from the Foundation towards specific program deliverables. Additionally, the Authority received from the Foundation \$258,759 (2023 - \$188,507) for expense reimbursement of Foundation related expenses. These transactions are measured at cost.

13. Financial instruments risks

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Authority is exposed to credit risk resulting from the possibility that a counterparty to a financial instrument defaults on their financial obligations; if there is a concentration of transactions carried out with the same counterparty; or of financial obligations which have similar economic characteristics such that they could be similarly affected by changes in economic conditions. The Authority's financial instruments that are exposed to concentrations of credit risk relate primarily to its accounts receivable. The majority of the Authority's receivables are from government resources. There has not been any change to this risk from prior period.

Liquidity risk

Liquidity risk is the risk that the Authority will encounter difficulty in meeting its obligations associated with financial liabilities. Liquidity risk includes the risk that, as a result of operational liquidity requirements, the Authority will not have sufficient funds to settle a transaction on the due date. The Authority is exposed to this risk mainly in respect of its accounts payable. The Authority mitigates this risk by ensuring that it always has sufficient cash to allow it to meet its liabilities when they become due. There has not been any change to this risk from prior period.

Lake Simcoe Region Conservation Authority
Notes to the Financial Statements

December 31, 2024

14. Comparative Figures

Certain comparative figures have been reclassified to conform with current year presentation.

Lake Simcoe Region Conservation Authority
Schedule 1 – Corporate Services

Year Ended December 31	2024 Budget (Note 3)	2024 Actual	2023 Actual
Revenue:			
Category 1 – Mandatory Levy	\$ 2,905,934	\$ 2,905,937	\$ 2,737,300
Category 1 - Lake Simcoe Protection Plan	276,673	276,620	271,248
Category 2	-	-	-
Category 3	-	-	-
Provincial & federal funding	1,962	1,962	1,962
Deferred funding & municipal agreements	67,725	67,725	544,046
Revenue generated by authority	3,471,568	1,489,319	987,293
Total Revenue:	6,723,862	4,741,563	4,541,849
Expenses:			
Corporate Communications	946,938	806,033	709,082
Facility Management	4,847,783	1,992,442	1,407,405
Financial Management	1,299,271	1,155,469	1,105,831
Governance	710,777	671,772	658,791
Human Resource Management	564,995	392,922	408,844
Information Management	1,585,697	1,443,088	1,409,518
Total Gross Expenses:	9,955,462	6,461,726	5,699,471
Expenses included above related to:			
Tangible Capital Assets	-	1,178,865	816,314
Internal Fee for Service	3,195,634	3,101,397	2,888,888
Expenses before Amortization	6,759,828	2,181,464	1,994,269
Amortization	-	340,838	356,810
	6,759,828	2,522,302	2,351,079
Net surplus (deficit) for the year	\$ (35,966)	\$ 2,219,261	\$ 2,190,770

Lake Simcoe Region Conservation Authority
Schedule 2 – Ecological Management

Year Ended December 31	2024 Budget (Note 3)	2024 Actual	2023 Actual
Revenue:			
Category 1 – Mandatory Levy	\$ 232,866	\$ 232,866	\$ 163,099
Category 1 - Lake Simcoe Protection Plan	1,122,495	1,122,975	910,675
Category 2	492,103	481,138	260,589
Category 3	-	-	-
Provincial & federal funding	536,154	552,398	364,166
Deferred funding & municipal agreements	775,186	725,732	1,038,400
Revenue generated by authority	1,612,690	1,020,103	766,088
Total Revenue:	4,771,494	4,135,212	3,503,017
Expenses:			
Ecosystem Science & Monitoring	1,293,725	1,301,609	1,186,489
Forestry Services	1,056,904	877,270	900,783
Restoration & Regeneration	2,476,132	1,859,455	1,248,437
Total Gross Expenses:	4,826,761	4,038,334	3,335,709
Expenses included above related to:			
Tangible Capital Assets	-	265,526	278,654
Internal Fee for Service	-	30,617	24,128
Expenses before Amortization	4,826,761	3,742,191	3,032,927
Amortization	-	28,226	19,602
	4,826,761	3,770,417	3,052,529
Net surplus (deficit) for the year	\$ (55,267)	\$ 364,795	\$ 450,488

Lake Simcoe Region Conservation Authority
Schedule 3 – Education & Engagement

Year Ended December 31	2024 Budget (Note 3)	2024 Actual	2023 Actual
Revenue:			
Category 1 – Mandatory Levy	\$ -	\$ -	\$ 152,124
Category 1 - Lake Simcoe Protection Plan	-	-	-
Category 2	-	-	-
Category 3	353,619	353,618	346,685
Provincial & federal funding	-	-	2,170
Deferred funding & municipal agreements	-	-	-
Revenue generated by authority	485,369	547,349	437,494
Total Revenue:	838,988	900,967	938,473
Expenses:			
Community Programming	137,228	138,364	120,749
School Programming	701,761	698,804	731,524
Total Gross Expenses:	838,988	837,168	852,273
Expenses included above related to:			
Tangible Capital Assets	-	-	14,792
Internal Fee for Service	-	-	-
Expenses before Amortization	838,988	837,168	837,481
Amortization	-	6,267	1,594
	838,988	843,435	839,075
Net surplus for the year	\$ -	\$ 57,532	\$ 99,398

Lake Simcoe Region Conservation Authority
Schedule 4 – Greenspace Services

Year Ended December 31	2024 Budget (Note 3)	2024 Actual	2023 Actual
Revenue:			
Category 1 – Mandatory Levy	\$ 929,813	\$ 929,813	\$ 861,220
Category 1 - Lake Simcoe Protection Plan	-	-	-
Category 2	-	-	-
Category 3	-	-	-
Provincial & federal funding	58,059	112,995	125,793
Deferred funding & municipal agreements	-	22,000	78,043
Revenue generated by authority	199,717	175,821	236,068
Total Revenue:	1,187,589	1,240,629	1,301,124
Expenses:			
Management	1,358,378	2,091,396	1,029,114
Securement	246,709	200,364	192,324
Total Gross Expenses:	1,605,087	2,291,760	1,221,438
Expenses included above related to:			
Tangible Capital Assets	-	418,883	145,885
Internal Fee for Service	-	-	110
Expenses before Amortization	1,605,087	1,872,877	1,075,443
Amortization	-	50,920	42,534
	1,605,087	1,923,797	1,117,977
Net surplus (deficit) for the year	\$ (417,498)	\$ (683,168)	\$ 183,147

Lake Simcoe Region Conservation Authority
Schedule 5 – Planning & Development Services

Year Ended December 31	2024 Budget (Note 3)	2024 Actual	2023 Actual
Revenue:			
Category 1 – Mandatory Levy	\$ 640,546	\$ 640,546	\$ 505,115
Category 1 - Lake Simcoe Protection Plan	-	-	-
Category 2	25,500	25,500	25,000
Category 3	-	-	-
Provincial & federal funding	22,413	22,413	22,413
Deferred funding & municipal agreements	431,745	431,746	395,110
Revenue generated by authority	3,716,624	3,514,826	3,368,298
Total Revenue:	4,836,828	4,635,031	4,315,936
Expenses:			
Development Planning	2,376,183	2,162,722	2,194,067
Permitting & Enforcement	2,469,563	2,057,155	2,124,029
Total Gross Expenses:	4,845,746	4,219,877	4,318,096
Expenses included above related to:			
Tangible Capital Assets	-	13,766	-
Internal Fee for Service	-	-	-
Expenses before Amortization	4,845,746	4,206,111	4,318,096
Amortization	-	879	437
	4,845,746	4,206,990	4,318,532
Net surplus (deficit) for the year	\$ (8,918)	\$ 428,041	\$ (2,597)

Lake Simcoe Region Conservation Authority

Schedule 6 – Water Risk Management

Year Ended December 31	2024 Budget (Note 3)	2024 Actual	2023 Actual
Revenue:			
Category 1 – Mandatory Levy	\$ 798,302	\$ 798,302	\$ 628,002
Category 1 - Lake Simcoe Protection Plan	284,825	283,563	113,982
Category 2	156,795	46,087	59,653
Category 3	-	-	-
Provincial & federal funding	1,133,152	975,020	1,040,384
Deferred funding & municipal agreements	1,095,397	768,611	1,065,562
Revenue generated by authority	2,516,919	1,354,595	1,202,988
Total Revenue:	5,985,390	4,226,178	4,110,571
Expenses:			
Flood Management & Warning	802,599	655,204	502,395
Source Water Protection	837,408	785,081	719,936
Water Management & Restoration	3,831,461	2,092,889	2,063,455
Water Science & Monitoring	525,282	477,080	591,101
Total Gross Expenses:	5,996,749	4,010,254	3,876,887
Expenses included above related to:			
Tangible Capital Assets	-	1,240	66,969
Internal Fee for Service	-	-	-
Expenses before Amortization	5,996,749	4,009,014	3,809,918
Amortization	-	38,006	29,974
	5,996,749	4,047,020	3,839,892
Net surplus (deficit) for the year	\$ (11,359)	\$ 179,158	\$ 270,679

Lake Simcoe Region Conservation Authority
Schedule 7 – Watershed Studies & Strategies

Year Ended December 31	2024 Budget (Note 3)	2024 Actual	2023 Actual
Revenue:			
Category 1 – Mandatory Levy	\$ 302,478	\$ 302,478	\$ 184,759
Category 1 - Lake Simcoe Protection Plan	826,530	826,530	900,144
Category 2	-	-	-
Category 3	-	-	-
Provincial & federal funding	252,090	261,794	127,260
Deferred funding & municipal agreements	556,176	581,750	612,042
Revenue generated by authority	187,637	68,958	87,444
Total Revenue:	2,124,911	2,041,510	1,911,649
Expenses:			
Climate Change Adaptation	610,935	598,953	444,493
Research & Innovation	1,082,828	948,116	681,267
Watershed Subwatershed Planning	494,286	489,759	593,789
Total Gross Expenses:	2,188,048	2,036,828	1,719,549
Expenses included above related to:			
Tangible Capital Assets	-	66,973	58,079
Internal Fee for Service	-	-	-
Expenses before Amortization	2,188,048	1,969,855	1,661,470
Amortization	-	15,514	9,270
	2,188,048	1,985,369	1,670,740
Net surplus (deficit) for the year	\$ (63,137)	\$ 56,141	\$ 240,909

Lake Simcoe Region Conservation Authority
Schedule 8 – Statement of Continuity of Reserves

Year Ended December 31

Reserve Category	Opening Balance January 1, 2024	Appropriations to/(from) Reserve	Ending Balance December 31, 2024
Asset Management	\$2,069,701	\$131,677	\$2,201,378
Working Capital	373,044	(11,318)	361,726
Rate Stabilization	5,096,933	309,207	5,406,140
Restricted	124,230	1,752,644	1,876,874
Grand Total	\$7,663,908	\$2,182,210	\$9,846,118

Lake Simcoe Region Conservation Authority
Schedule 9 – Schedule of Accumulated Surplus

Year Ended December 31	2024 Actual	2023 Actual
Opening Accumulated Surplus	\$ 26,952,511	\$ 23,519,717
Current Year Surplus	2,621,760	3,432,794
Ending Accumulated Surplus	29,574,271	26,952,511
Accumulated Surplus consists of:		
Tangible Capital Assets (net)	19,783,994	19,344,445
Unfunded Capital Leases	(55,842)	(55,842)
Reserves (Schedule 8)	9,846,118	7,663,908
Ending Accumulated Surplus	\$ 29,574,271	\$ 26,952,511

Lake Simcoe Region Conservation Authority

Schedule 10 – Schedule of Tangible Capital Assets

December 31, 2024

	Land	Land Improvements	Building & Building Improvements	Computer & Computer Software	Furniture & Fixtures	Machinery & Equipment	Vehicles	Infrastructure	Work in Process	2024	2023
Cost											
Opening Balance	\$12,402,938	\$809,678	\$8,113,272	\$1,138,884	\$413,327	\$1,062,277	\$655,001	\$395,724	\$642,299	\$25,633,400	\$18,463,662
Additions	-	687,753	54,315	59,628	29,667	137,514	212,075	229,999	1,037,082	2,448,033	1,486,137
Disposals	(1,025,054)	-	(31,612)	(19,412)	-	(36,767)	(51,993)	-	(502,780)	(1,667,618)	(244,646)
Ending Balance	11,377,884	1,497,431	8,135,976	1,179,102	442,994	1,163,026	815,084	625,723	1,176,601	26,413,820	25,633,400
Accumulated Amortization											
Opening Balance	-	259,645	3,658,733	918,102	224,022	675,894	383,709	168,850	-	6,288,955	5,928,247
Amortization	-	42,448	167,773	73,664	20,453	89,283	68,305	18,724	-	480,650	460,221
Disposals	-	-	(31,612)	(19,412)	-	(36,767)	(51,993)	-	-	(139,784)	(99,513)
Ending Balance	-	302,093	3,794,895	972,355	244,475	728,411	400,023	187,574	-	6,629,826	6,288,955
Net Book Value	\$11,377,884	\$1,195,338	\$4,341,081	\$206,746	\$198,518	\$434,615	\$415,061	\$438,149	\$1,176,601	\$19,783,994	\$19,344,445